

Assembly Bill No. 2965

Passed the Assembly August 28, 2002

Chief Clerk of the Assembly

Passed the Senate August 27, 2002

Secretary of the Senate

This bill was received by the Governor this _____ day of
_____, 2002, at _____ o'clock __M.

Private Secretary of the Governor

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CHAPTER _____

An act to add Sections 337t, 337u, 337v, 337w, 337x, 337y, and 337z to the Penal Code, relating to gaming.

LEGISLATIVE COUNSEL'S DIGEST

AB 2965, Wiggins. Gaming: cheating.

Existing law makes it unlawful for a person to use any game, device, sleight of hand, pretension to fortune tell, trick, or other means, by use of cards or other implements or instruments, or while betting on sides or hands of any play or game, to fraudulently obtain from another person, money or property of any description. Existing law defines the term “fraudulently obtain” for these purposes to include cheating by gaining an unfair advantage for any player in any game through a technique or device not sanctioned by the rules of the game.

This bill would make unlawful various acts of cheating in the playing of gambling games.

The bill would define the term “cheat” for these purposes.

The bill also would make it unlawful to use at a gambling establishment, or to possess with the intent to use, any device to assist in projecting the outcome of the gambling game, keeping track of the cards played, analyzing the probability of the occurrence of an event relating to the game, or analyzing the strategy for playing or betting to be used in the game, except as permitted by the California Gambling Control Commission or a tribal gaming agency.

The bill also would make it unlawful for any person to use counterfeit chips, counterfeit debit instruments, or other counterfeit wagering instruments in a gambling game, associated equipment or a cashless wagering system. The bill would also make it unlawful for any person, to possess any paraphernalia for manufacturing slugs, as defined.

The bill would make it unlawful to manufacture, sell, or distribute any cards, chips, dice, game, or any device which is intended to be used to cheat and would also make it unlawful to mark, alter, or otherwise modify any associated equipment or gaming device in a manner that either affects the result of a wager by determining win or loss or alters the normal criteria of random



selection, which affects the operation of a gambling game or which determines the outcome of a gambling game. The bill would prescribe terms of imprisonment and fines for violations of these prohibitions.

Because the bill would define various new crimes, the bill would impose a state-mandated local program.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

The people of the State of California do enact as follows:

SECTION 1. Section 337t is added to the Penal Code, to read: 337t. The following definitions govern the construction of this section and Sections 337u, 337w, 337x, and 337y:

(a) “Associated equipment” means any equipment or mechanical, electromechanical, or electronic contrivance, component or machine used remotely or directly in connection with gaming or any game that would not otherwise be classified as a gaming device, including dice, playing cards, links which connect to progressive slot machines, equipment which affects the proper reporting of gross revenue, computerized systems for monitoring slot machines and devices for weighing or counting money.

(b) “Cashless wagering system” means a method of wagering and accounting in which the validity and value of a wagering instrument or wagering credits are determined, monitored, and retained by a computer that is operated and maintained by a licensee and that maintains a record of each transaction involving the wagering instrument or wagering credits, exclusive of the game or gaming device on which wagers are being made. The term includes computerized systems which facilitate electronic transfers of money directly to or from a game or gaming device.

(c) “Cheat” means to alter the normal elements of chance, method of selection, or criteria, excluding those alterations to the game generally done by the casino to provide variety to games and



that are known, or should be known, by the wagering players, which determine any of the following:

- (1) The result of a gambling game.
- (2) The amount or frequency of payment in a gambling game.
- (3) The value of a wagering instrument.
- (4) The value of a wagering credit.
- (d) “Drop box” means the box that serves as a repository for cash, chips, tokens, or other wagering instruments.
- (e) “Gambling establishment” means any premises wherein or whereon any gaming is done.
- (f) “Gambling game device” means any equipment or mechanical, electromechanical, or electronic contrivance, component or machine used remotely or directly in connection with gaming or any game which affects the result of a wager by determining win or loss. The term includes any of the following:
 - (1) A slot machine.
 - (2) A collection of two or more of the following components:
 - (A) An assembled electronic circuit which cannot be reasonably demonstrated to have any use other than in a slot machine.
 - (B) A cabinet with electrical wiring and provisions for mounting a coin, token, or currency acceptor and provisions for mounting a dispenser of coins, tokens, or anything of value.
 - (C) A storage medium containing the source language or executable code of a computer program that cannot be reasonably demonstrated to have any use other than in a slot machine.
 - (D) An assembled video display unit.
 - (E) An assembled mechanical or electromechanical display unit intended for use in gambling.
 - (F) An assembled mechanical or electromechanical unit which cannot be demonstrated to have any use other than in a slot machine.
 - (3) Any mechanical, electrical, or other device that may be connected to or used with a slot machine to alter the normal criteria of random selection or affect the outcome of a game.
 - (4) A system for the accounting or management of any game in which the result of the wager is determined electronically by using any combination of hardware or software for computers.
 - (5) Any combination of one of the components set forth in subparagraphs (A) to (F), inclusive, of paragraph (2) and any other



component that the commission determines, by regulation, to be a machine used directly or remotely in connection with gaming or any game which affects the results of a wager by determining a win or loss.

(g) “Past-posting” means the placing of a wager by an individual at a game after having knowledge of the result or outcome of that game.

(h) “Pinching wagers” means to reduce the amount wagered or to cancel the wager after acquiring knowledge of the outcome of the game or other event that is the subject of the wager.

(i) “Pressing wagers” means to increase a wager after acquiring knowledge of the outcome of the game or other event that is the subject of the wager.

(j) “Tribal Gaming Agency” means the person, agency, board, committee, commission, or council designated under tribal law, including, but not limited to, an intertribal gaming regulatory agency approved to fulfill those functions by the National Indian Gaming Commission, as primarily responsible for carrying out the regulatory responsibilities of the tribe under the Indian Gaming and Regulatory Act (25 U.S.C. Sec. 2701) and a tribal gaming ordinance.

(k) “Wagering credit” means a representative of value, other than a chip, token, or wagering instrument, that is used for wagering at a game or gaming device and is obtained by the payment of cash or a cash equivalent, the use of a wagering instrument or the electronic transfer of money.

(l) “Wagering instrument” means a representative of value, other than a chip or token, that is issued by a licensee and approved by the California Gambling Control Commission or a tribal gaming agency, for use in a cashless wagering system.

SEC. 2. Section 337u is added to the Penal Code, to read:

337u. It is unlawful for any person to commit any of the following acts:

(a) To alter or misrepresent the outcome of a gambling game or other event on which wagers lawfully have been made after the outcome is made sure, but before it is revealed to the players.

(b) To place, increase, or decrease a wager or to determine the course of play after acquiring knowledge, not available to all players, of the outcome of the gambling game or any event that affects the outcome of the gambling game or which is the subject



of the wager or to aid anyone in acquiring that knowledge for the purpose of placing, increasing, or decreasing a wager or determining the course of play contingent upon that event or outcome.

(c) To claim, collect, or take, or attempt to claim, collect, or take, money or anything of value in or from a gambling game, with intent to defraud, without having made a wager contingent on the game, or to claim, collect, or take an amount greater than the amount actually won.

(d) Knowingly to entice or induce another to go to any place where a gambling game is being conducted or operated in violation of this section, or Section 337v, 337w, 337x, or 337y, with the intent that the other person play or participate in that gambling game.

(e) To place or increase a wager after acquiring knowledge of the outcome of the gambling game or other event which is the subject of the wager, including past-posting and pressing wagers.

(f) To reduce the amount wagered or cancel the wager after acquiring knowledge of the outcome of the gambling game or other event which is the subject of the bet, including pinching wagers.

(g) To manipulate, with the intent to cheat, any component of a gambling game device in a manner contrary to the designed and normal operational purpose for the component, including, but not limited to, varying the pull of the handle of a slot machine, with knowledge that the manipulation affects the outcome of the gambling game or with knowledge of any event that affects the outcome of the gambling game.

SEC. 3. Section 337v is added to the Penal Code, to read:

337v. It is unlawful for any person at a gambling establishment to use, or to possess with the intent to use, any device to assist in any of the following:

(a) In projecting the outcome of the gambling game.

(b) In keeping track of the cards played.

(c) In analyzing the probability of the occurrence of an event relating to the gambling game.

(d) In analyzing the strategy for playing or wagering to be used in the gambling game, except as permitted by the California Gambling Control Commission or a tribal gaming agency.

SEC. 4. Section 337w is added to the Penal Code, to read:



337w. (a) It is unlawful for any person to use counterfeit chips, counterfeit debit instruments, or other counterfeit wagering instruments in a gambling game, the equipment associated with a gambling game, or a cashless wagering system.

(b) It is unlawful for any person, in playing or using any gambling game, the equipment associated with a gambling game, or a cashless wagering system designed to be played with, receive, or be operated by chips, tokens, wagering credits or other wagering instruments approved by the California Gambling Control Commission or a tribal gaming agency, or by lawful coin of the United States of America to either:

(1) Knowingly use chips, tokens, wagering credits, or other wagering instruments not approved by the California Gambling Control Commission or a tribal gaming agency, or lawful coin, legal tender of the United States of America, or use coins or tokens not of the same denomination as the coins or tokens intended to be used in that gambling game, associated equipment, or cashless wagering system.

(2) Use any device or means to violate this section or Section 337u, 337v, 337x, or 337y.

(c) It is unlawful for any person, not a duly authorized employee of a gambling establishment acting in furtherance of his or her employment within that establishment, to possess any device intended to be used to violate this section or Section 337u, 337v, 337x, or 337y.

(d) It is unlawful for any person, not a duly authorized employee of a gambling establishment acting in furtherance of his or her employment within that establishment, to possess any key or device known to have been designed for the purpose of, and suitable for, opening, entering, or affecting the operation of any gambling game, cashless wagering system, or dropbox, or for removing money or other contents from the game, system, or box.

(e) It is unlawful for any person to possess any paraphernalia for manufacturing slugs. As used in this subdivision, “paraphernalia for manufacturing slugs” means the equipment, products, and materials that are intended for use or designed for use in manufacturing, producing, fabricating, preparing, testing, analyzing, packaging, storing, or concealing a counterfeit facsimile of the chips, tokens, debit instruments, or other wagering instruments approved by the California Gambling Control



Commission or a tribal gaming agency, or a lawful coin of the United States, the use of which is unlawful pursuant to subdivision (b). The term “paraphernalia for manufacturing slugs” includes, but is not limited to, any of the following:

- (1) Lead or lead alloys.
- (2) Molds, forms, or similar equipment capable of producing a likeness of a gaming token or lawful coin of the United States.
- (3) Melting pots or other receptacles.
- (4) Torches.
- (5) Tongs, trimming tools, or other similar equipment.
- (6) Equipment which can be reasonably demonstrated to manufacture facsimiles of debit instruments or wagering instruments approved by the California Gambling Control Commission or a tribal gaming agency.

SEC. 5. Section 337x is added to the Penal Code, to read:

337x. It is unlawful to cheat at any gambling game in a gambling establishment.

SEC. 6. Section 337y is added to the Penal Code, to read:

337y. It is unlawful to do either of the following:

(a) Manufacture, sell, or distribute any cards, chips, dice, game, or device which is intended to be used to violate Section 337u, 337v, 337w, or 337x.

(b) Mark, alter, or otherwise modify any gambling game device or associated equipment in a manner that either:

- (1) Affects the result of a wager by determining win or loss.
- (2) Alters the normal criteria of random selection, which affects the operation of a gambling game or which determines the outcome of a game.

(c) It is unlawful for any person to instruct another in cheating or in the use of any device for that purpose, with the knowledge or intent that the information or use conveyed may be employed to violate Section 337u, 337v, 337w, or 337x.

SEC. 7. Section 337z is added to the Penal Code, to read:

337z. (a) Any person who violates Section 337u, 337v, 337w, 337x, or 337y shall be punished as follows:

- (1) For the first violation, by imprisonment in a county jail for a term not to exceed one year, or by a fine of not more than five thousand dollars (\$5,000), or by both that fine and imprisonment.
- (2) For a second or subsequent violation of any of those sections, by imprisonment in a county jail for a term not to exceed

one year or by a fine of not more than fifteen thousand dollars (\$15,000), or by both that fine and imprisonment.

(b) A person who attempts to violate Section 337u, 337v, 337w, 337x, or 337y shall be punished in the same manner as the underlying crime.

(c) This section does not preclude prosecution under Section 332 or any other provision of law.

SEC. 8. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because the only costs that may be incurred by a local agency or school district will be incurred because this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.



Approved _____, 2002

Governor

